



For Immediate Release
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SENATORS URGE PRESIDENT BUSH TO PRESSURE PUTIN ON PIRACY
Finance Chairman, colleagues express concern over Russia's failure to crack down on pilfering of intellectual property

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) led 15 colleagues today in urging President Bush to pressure Russian President Vladimir Putin over the Russian government's failure to sufficiently crack down on alarming levels of piracy of U.S. copyrighted property. The Senators' letter to the President comes in advance of a July summit between the two leaders. Russia continues to supply pirated U.S. products to foreign markets, and authorities there have done little to shut down Russian websites offering pirated American music, movies, and software for a fraction of the market price. Piracy rates remain above 70 percent. In the letter, the Senators expressed extreme disappointment over Russia's failure to abide by its 2006 intellectual property rights commitments to the U.S., and urged President Bush to oppose Russia's accession to the WTO until it steps up its efforts to enforce intellectual property laws.

"Russia's failure to stop piracy is costing American businesses billions of dollars and many American workers their jobs. President Putin needs to hear for himself that his failure to act is hurting his country's chances of joining the WTO," said Baucus. **"For years, the Russian government has flouted intellectual property laws and ignored the rampant levels of piracy going on within its own borders. Russia has the potential to be a valuable member of the WTO, but it first must do a great deal more to protect stolen American property. "**

Intellectual property accounts for as much as 40 percent of U.S. GDP. U.S. companies estimate that they lost in excess of \$2.1 billion in 2006 alone due to piracy in Russia. Russia has remained on the United States Trade Representative's Special 301 Priority Watch List of international property rights violators since 1997 due to its violations of copyright, patent, and trademark protections. In May of 2006, Baucus wrote to the president expressing his concern over Russia's commitment to protect intellectual property rights.

The Senators' letter to President Bush follows here.

June 28, 2007

The President
The White House
Washington, DC 20500

Dear Mr. President:

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Over the past few years, many of us have expressed to your Administration our concern about the alarming levels of piracy of U.S. intellectual property in Russia. We write in advance of your upcoming summit with President Vladimir Putin to express deep disappointment over the fact that the piracy situation in Russia remains largely unchecked and that the Russian Government has missed critical deadlines in meeting the obligations it undertook in the Intellectual Property Rights Agreement reached with the United States in November of 2006. We urge you to stress our concerns to President Putin in the strongest possible terms. And we urge you not to support Russia's accession to the WTO until Russia has manifested both a willingness and ability to provide effective enforcement of U.S. intellectual property in law and practice.

We hope to welcome Russia as a full member of the international trading system, but with rights come responsibilities. And Russia has thus far failed to meet its responsibilities. It has not only continued to serve as a supplier of pirated U.S. products to foreign markets, but well known Russian pirate websites offering copyrighted music, movies, games, and software have continued to operate with impunity from Russian authorities. We recognize that Russia has taken some important steps to improve the situation, but Russia unquestionably has not complied with its obligations under the Intellectual Property Rights Agreement, and our industries have suffered as a result. The theft of American intellectual property in Russia continues at alarming rates. And this theft means millions of dollars in lost revenues for U.S. businesses, and lost jobs for U.S. workers.

Intellectual property, in all its forms, is a keystone of America's economy. Some reports indicate that intellectual property already drives over 40% of US GDP, and that percentage will likely grow in the future. Protection of U.S. intellectual property abroad is critical to our competitiveness today and in the future. We look forward to working with you to expand protection of U.S. intellectual property in Russia and throughout the rest of the world.

Very truly yours,

Max Baucus
Debbie Stabenow
Maria Cantwell
Kent Conrad
Ken Salazar
Lindsey Graham
Arlen Specter
Gordon Smith

Harry Reid
Jon Tester
Evan Bayh
Orrin Hatch
Ron Wyden
George Voinovich
Jack Reed
Susan M. Collins

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